

**SEC58-B**

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THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

In the Matter of: )  
 ) File No. HO-13388-A  
KIK INTERACTIVE ) AMENDED 1-23-2018

SUBJECT: LIVE AUDIO KIN(360p).mp4

PAGES: 1 through 6

AUDIO TRANSCRIPTION

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## PROCEEDINGS

MR. LIVINGSTON: So, my name's Ted Livingston. I'm the founder and CEO of Kik. I started Kik eight and a half years ago now, which is pretty amazing, and been building it ever since. So, we're here today to introduce a new project we've been working on called Kin.

MR. PELED: Kik is entering the block chain space, and basically is going to bring cryptocurrency to the masses.

MR. LIVINGSTON: And what Kin is, is it's a decentralized ecosystem of digital services to power the daily lives of consumers.

MR. WILSON: The thing that's so exciting about Kik introducing Kin is that, here's a mainstream product that hundreds of millions of people have used that many, many people have on their phones, that is a brand that's understood.

You know, people know what it is, introducing the cryptocurrency, versus some thing that nobody's ever used and never heard of before, which is really what the past history of crypto has been. Now, Kik's bringing it to the mainstream.

MR. LIVINGSTON: I think right now, we are on a path to where digital services power everything we do in

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volume of Bitcoin globally.

That; then let's do number three, which is creating the Kin rewards engine. We're going to take a big portion of Kin, and we're going to give away a bunch of it every day. So that, if you're a developer, and you have a great digital service, and you bring it into this Kin ecosystem, and you integrate Kin, and you get people transacting in it, you will get a proportional amount of this daily reward every day.

So, you get all these developers coming in, and that creates more transactions, but the more transactions you get, the more demand for the currency. The more demand for the currency, the more valuable the currency is, the more valuable the daily reward. So, the fourth and final step is to create the Kin Foundation to oversee all of this.

MR. BRUKHMAN: Many of these projects form non-profit organizations that protect the interests of the community as a whole.

MR. LIVINGSTON: On one side, yes, they'll administer the Kin reward engine, but they will also make sure that key pieces of the infrastructure, like the identity system and the transaction system, are open and decentralized as well.

MR. WILSON: I think Kin is good for the

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our daily lives, but they're all controlled and owned by a very few number of companies. Like, to me, honestly, I think that's a bit of a scary future.

MR. BRUKHMAN: So, block chain technologies and decentralized systems are, like, a really effective way of breaking down that silo, because it basically says, you know, the users and the data and these proprietary resources live in an open, transparent, and community-owned database.

MR. LIVINGSTON: So, there's four steps to making this happen. The first step is creating a new cryptocurrency, which we're calling "Kin". The word "kin" means family, and kinship, and the connectedness between all of us. And so, that's really what we're trying to do.

We're trying to create this new family of apps, this new ecosystem that all works together, and it's all connected together. It would be an ERC-20 token on the Ethereum block chain.

The second step is to give that cryptocurrency value. And the way we're going to do that is by integrating it into Kik. This is something we've been experimenting with since 2014 with Kik Coins, where through just a couple ways to earn, and a couple ways to spend, we are able to create four times the transaction

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industry, because it's a -- it's a monetization model, a business model for social platforms, communities, messengers, that really don't want to run advertising in them.

MR. LIVINGSTON: Any one app that's trying to take on these behemoths is going to lose. But by banding together, and using this cryptocurrency, Kin, as a way to align us all together, to work together, I think we can make a better experience for consumers, but also a better future for society in general.

Kik has both the experience, and the resources, and the user-base to really make this happen. The success of this project really comes down to how many other people can we get excited to compete with us, to join us, to work with us, and to build this together?

(End of audio.)

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of all matters contained on the recorded proceedings in  
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KIK INTERACTIVE, LIVE AUDIO KIN(360p).mp4 - provided  
material.

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Transcriber

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